

Case studies in Corporate Social Irresponsibility:
Implications for counter-marketing and
alcohol policy development

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Aims of this presentation

- Describe three cases that illustrate potential illegal and unethical activities of alcohol industry
- Show how case studies can contribute to the promotion of evidence-based alcohol policy by drawing attention to the strategies and tactics of the alcohol industry

Three case studies

1. Heineken in Africa, a book that investigated the corporate political activities of one of the world's largest beer producers
2. Alcohol industry strategies to make us drink” a French TV documentary film describing the marketing practices of Pernod Ricard, the largest alcohol producer in France
3. The rise and fall of the \$100 Mach 15 clinical trial, investigations of a \$100 million study designed to show the cardiovascular benefits of moderate drinking.

Case Study 1: Heineken in Africa

Olivier van Beemen, Prometheus, 2015

- Three years of journalistic research in eleven African countries and The Netherlands.
- Evidence of human rights violations, sex trafficking (Nigeria), bribery, and money laundering.
- Contrary to the company's assertions, Heineken's presence has not benefited Africa, and may have been harmful (e.g., limited number of jobs created, more binge drinking, spread of HIV infection, removal of profits to The Netherlands).



Other examples of Heineken's corporate malfeasance

- Heineken's marketing in Africa is often aimed at young people. In Kinshasa (Democratic Republic of Congo), whole districts are painted in the color of Heineken's mainstream brand, Primus, including pharmacies, a police station and a school bus.
- Journalists are paid to write stories Heineken wants to have covered.
- Heineken transferred large amounts of undeclared income to Europe in the 1960s, cheating the newly established governments out of much-needed tax revenue.
- Heineken was directly involved in the 1994 genocide in Rwanda, an atrocity that left an estimated 800,000 dead. The local Heineken brand Primus contributed to the violence during the killings, and served as a reward after the killings. Heineken was aware of this, but continued to generate profits for the government to use in its genocide.
- In the east of Congo, tolls levied on trucks carrying Heineken's products are an important source of income for armed groups responsible for large-scale human rights violations.

Case 2: Documentary film about Pernod Ricard and its strategies to get people to drink more

- Broadcast on French national TV station France 2 in April, 2021.
- Most of the film is about Pernod Record, one of the world's largest alcohol producers.
- Unethical marketing and illegal business practices filmed.
- The film also shows how the alcohol industry supports scientists who promote the J-curve hypothesis suggesting that moderate drinking has health benefits.
- Near the end of the film a prominent American epidemiologist who promotes the J-curve hypothesis is questioned about his undeclared funding from the alcohol industry.

Case 3. The Moderate Alcohol and Cardiovascular Health Trial (MACH15)

- MACH15 was a global randomized controlled trial to assess the cardiovascular effects of moderate drinking.
- Six global alcohol producers committed up to \$70m USD to support the trial. An additional \$30 million was promised by the US NIAAA.
- The trial was initiated in 2017 at 16 sites located in the USA, Europe, Africa and South America. It was halted by the NIH in June of 2018 after an independent review revealed methodological weaknesses and irregularities in the grant award process. The review described how industry representatives influenced the design of the trial in apparent exchange for their financial support.
- A subsequent analysis of email communications with NIAAA leadership by Mitchell and McCambridge (2023) showed how IARD, DISCUS and major producers used their sponsorship of the trial to seek favors from NIAAA in national and international policy areas.

Conclusions: What do these cases have in common?

- Transnational alcohol producers and their extenders in the alcohol industry can function as inducers when their commercial and political agendas serve to enhance alcohol consumption and heavy drinking
- Three different types of media (a book, a documentary film, and scientific reports) have the potential to show how transnational alcohol companies are no ordinary business enterprises.
- Case studies of the alcohol industry can serve as a method of counter-stakeholder marketing by illustrating undemocratic political activities (e.g., Heineken in Africa), unethical marketing practices (Pernod Ricard in France and USA) and science capture (IARD at NIAAA).
- When accurate information about the industry's strategies and tactics is widely disseminated, it could affect the industry's reputation as a "Good Corporate Citizen" and the brand marketing that accompanies the industry's corporate social responsibility activities.

Implications for counter-advertising: AB InBev Corporate Risk Statement (2016)

- *“Negative publicity regarding beer, other alcoholic beverage or soft drink consumption, publication of studies that indicate a significant health risk from consumption of beer, other alcoholic beverages or soft drinks, or changes in consumer perceptions in relation to beer, other alcoholic beverages or soft drinks generally could adversely affect the sale and consumption of our products and could harm our business, results of operations, cash flows or financial condition as consumers and customers change their purchasing patterns.”*

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Industry responses

- Conduct cause-related marketing
- Support Corporate Social Responsibility activities to create favorable public image of brands and the industry, while compromising potential critics
- Control research agenda by funding research
- Frame the scientific evidence in industry-favorable terms by recruiting sympathetic scientists and distorting the interpretation of findings
- Oppose regulatory measures (e.g., warning labels)
- Promote voluntary action
- Use trade and groups and SAPROs to question or discredit scientific research
- Use legal action (or threat of legal action) to delay legislation

Can case studies be used in Countermarketing Campaigns?

- Communicate adverse health effects
- Illustrate industry manipulation of consumers
- Undermine brand images
- Criticize industry targeting of vulnerable populations
- Appeal to negative emotions
- Engage users in all phases of the campaign



Questions for discussion

- Why are these scandals so unknown by the general public, policymakers, alcohol researchers and addiction treatment professionals?
- Is there a need for one or more international organizations to document and disseminate information about the behavior of alcohol producers and their extenders?

FOR MORE INFORMATION

- YouTube: Cash Investigation “Alcool les stratégies pour nous faire boire”
- Heineken in Africa, Olivier van Beemen, Prometheus, 2015
- Mitchell, G., & McCambridge, J. (2023). Interactions between the U.S. National Institute on Alcohol Abuse and Alcoholism and the alcohol industry: Evidence from email correspondence 2013–2020. Journal of Studies on Alcohol and Drugs, 84, 11–26
- Babor, T. (2023) Big Alcohol Meets Big Science at NIAAA: What Could Go Wrong? Journal of Studies on Alcohol and Drugs.